

Michigan Historical Center Foundation

Minutes

December 14, 2006, Board Meeting
Lansing, MI

Present: John Axe, Mickey Briggs, Nancy Danhof, Paul Drake, Jon Walton, Patrice Merritt, Randy Ragsdale, Jim Wardlaw, Sandra Clark (Director, Michigan Historical Center), Patricia Clark (Development Director, Michigan Historical Center Foundation), Carol Payne (Development Administrator, Michigan Historical Center Foundation), Phil Kwiatkowski (MHC, Museum Director), Chris Dancisak (MHC, Marketing and Public Relations), Mark Harvey (MHC, Archives of Michigan) and Tim Lebel (Fairchild, Lebel & Rice, P.C.)

Patrice Merritt, on behalf of Board Chair, Deb Muchmore, called the meeting to order at 10:10 a.m., and welcomed the members of the Board. Patrice extended a special welcome to new Board member Mickey Briggs and introductions were made to the Board.

Business Meeting

Approval of Minutes: A motion was made by John Axe to accept the minutes of the September 21, 2006, Board meeting as presented. The motion was supported by Jon Walton and carried unanimously.

Financial Report: Sandra Clark reported on the September, October and November monthly budgets. She pointed out the audit adjustment in the September report, as a result of the fiscal year-end audit. After discussion at the September Board meeting, the new fiscal year October budget was presented with a new look reflecting a programs category carried over from the designated funds as well as retained earnings from both designated and unrestricted accounts. The Board was also provided with a balance sheet and profit and loss for the three months. Sandra advised that reports would be generated in the future from the new Financial Edge software.

The GM Demand Note account had been cancelled and a final check for the balance is being processed.

Carol Payne met with individuals from National City and information regarding opening a sweep account to better manage the Foundation accounts was recommended. Mr. Walton concurred. In addition, the Foundation has set up banking online with National City.

There was discussion on reflecting fund development on future financial reports. John Axe made a motion to reflect this change. The motion was supported by Nancy Danhof and unanimously carried. Randy Ragsdale suggested there be further discussion at the next Board meeting. John Axe amended his motion to reflect that the financial committee will report to the Board with a revised budget reflecting fund development. The motion was supported by Jon Walton and carried unanimously.

Financial Audit: Timothy Lebel reported on the Financial Audit ending September 2006, detailing the statement of financial position, statement of activities and statement of cash flow.

In the notes to financial statements, he pointed out three new additions:

- Board designated assets are unrestricted funds that have been designated by the Board, restricting them for specific projects or programs.
- Permanently restricted funds include assets held by community foundation wherein the Foundation can only spend the earnings as determined annually by the community foundations.
- The Foundation established a SEP plan covering all qualified employees, wherein the Foundation contributes on behalf of the employee up to 25% of the employee's annual compensation.

Mr. Lebel detailed the schedule of contributions reflecting unrestricted funds of \$85,000 from the Thurber estate as well as restricted funds that included Preservation and Archives grants. The schedule of expenses reflects an increase in salaries and benefits, travel, and Archives of Michigan expenses. Museum exhibits and special events expenses are down in this fiscal year. Motion was made by John Axe to accept the audit as presented. The motion was supported by Randy Ragsdale and carried unanimously.

Information Agenda:

Development Office Update: Pat Clark reported on the Foundation's biannual gift appeal with 940 appeals mailed and a return to date of 28, totaling \$2,055.

The Odyssey 2006 – Jingle Ball fundraising event, raised about \$28,000 for the Michigan history education programs with \$46,000 in income, including sponsors, silent auction and ticket sales, and \$18,000 in expenses. The ongoing hurdle is ticket sales. Patrice Merritt shared that she no longer held ticketed events, instead has events solely underwritten by sponsors. As the Board requested, school assemblies were held for the three 2006 award winners that included principals, superintendents, legislators, families and friends of the awardees. The 2007 Odyssey Jingle Ball will be held on Saturday, November 17, 2007.

As a result of the docents' request for funding from the Foundation, Patrice shared a grant application form she currently uses. As a result, Pat shared the Foundation's newly developed form for requests for funding from the Foundation.

Loretta Zumbaugh was employed in October by the Foundation as a part-time independent contractor to take over the Raiser's Edge software program and the transition to Financial Edge, an accounting program that interfaces with Raiser's Edge. In addition, Emily Kuczynski, an intern from Central Michigan University, will start in January and will be doing two internships with the Foundation with responsibility for public relations and development issues.

Michigan Historical Center Update: Sandra Clark shared background history on the Iron Industry Museum and shared a handout on the Phase II campaign. Phase II includes the construction of a road to US-41, with state funds committed from the Department of Management and Budget and the Michigan Department of Transportation. Funds are needed for the parking lot, which will be managed by DMB. Additional funds are needed for the trail system and the Yankee Locomotive restoration project. Sandra also identified funding sources for the completion of this phase, including revisiting Cleveland Cliffs. It was also suggested that a neighboring casino may benefit from contributing to the project.

Mark Harvey, Archives of Michigan, shared photos of Sarah Seelye (a/k/a Private Franklin Thompson) who disguised herself as a male to serve in the Civil War. As a result of a grant from the NHPRC, the Archives is able to digitize historic records for placement on the web. Guests are able to page through folders online as they would in the Archives Room.

Sandra shared information on a new storage facility that will house the Record Center, Archives and Museum Collections. They are currently looking at a facility with 198,000 square feet; however, no funding is yet available and no move date has been established.

Internship Program: Chris Dancisak advised that due to the budget cuts, funding to support the interns for visitor services and off-site museums has been eliminated. We are working with colleges and universities in Michigan on an internship program to replace the interns at the Center and off-site museums. MDOT put together a video regarding the intern program that includes docents with costume interpretation and interaction in galleries. He shared the video with the Board, which reflects true museum experience. There is interest from colleges and universities in using theatre students with a stronger intern program to be put in place in the future. The schools will recruit on our behalf to develop an intern program for credit-only internships. There was discussion on offering family weekend vacations at some of the sites.

New Business: John Axe reported on behalf of the nominating committee. Former board member, Arlene Sierra, requested a sabbatical in 2004. There was discussion regarding an invitation to Arlene to rejoin the Board and a motion was made by John Axe to extend the invitation. The motion was supported by Jon Walton and unanimously carried. Additionally, Mr. Axe discussed potential board members Andrew Richner from Grosse Pointe Park and George Meyer of Grosse Pointe.

Patrice presented Jon Walton with a splash copper plaque for his 13 years of service as the treasurer of the MHC Foundation.

A motion was made by Jon Walton, supported by Nancy Danhof and unanimously carried to adjourn the Board meeting. The meeting was adjourned at 12:20 p.m.

Respectfully submitted,

Patrice Merritt, Board Secretary